

(44)

rum 84-10149

17 July 1984

MEMORANDUM FOR: Fred Shoup
INR/EC
Department of State

FROM

:

[REDACTED]
EURA/EI/EI
CIA

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SUBJECT : EC Budget Statistics

1. I have attached some tables giving the EC budget figures you asked for over the telephone this afternoon. I think they should give you a good idea of the main sources of EC revenue, the patterns of EC expenditure, and the distribution of the Community's budget burden.

2. If I can be of any further assistance please do not hesitate to call me [REDACTED]

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Attachment: as stated

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| BUDGET HEADING | 1983 BUDGET | 1984 BUDGET | PERCENT INCREASE |
|---------------------------|----------------|----------------|---------------------|
| <u>ECU</u> | | | |
| I. COMMISSION | | | |
| A. AGRIC. MARKET GUAR. | | | |
| - EAGGF GUAR. SECTION | 15811.00 | 16500.00 | 4.36 |
| B. FISHERIES | 84.39 | 112.36 | 33.14 |
| C. AGRIC. STRUCTURES | 653.35 | 675.13 | 3.33 |
| - EAGGF GUIDANCE SECT. | 597.12 | 599.61 | 0.42 |
| - SPECIFIC MEASURES | 56.23 | 75.52 | 34.29 |
| D. REGIONAL POLICY | 1495.36 | 1454.80 | -2.71 |
| E. SOCIAL POLICY | 1495.11 | 1369.39 | -8.41 |
| F. RESEARCH, ENERGY, | 602.09 | 813.05 | 35.04 |
| - INDUSTRY, TRANSPORT | | | |
| G. REPAYMENTS, RESERV. | 1093.98 | 1108.09 | 1.29 |
| H. DEVELOPMENT COOPER. | 992.17 | 897.15 | -9.58 |
| - IN NON-EC COUNTRIES | | | |
| TOTAL SECTION I | 22227.45 | 22929.96 | 3.16 |
| - II. COMMISSION | 756.83 | 803.51 | 6.17 |
| PERSONNEL AND OPER. | | | |
| TOTAL SECTIONS I AND II | 22984.27 | 23733.47 | 3.26 |
| - COMMISSION | | | |
| - III. OTHER INSTITUTIONS | 404.81 | 425.56 | 5.13 |
| - TOTAL | 23389.09 | 24159.04 | 3.29 |
| UK AND FRG PEDATES | 1672.00 | 1202.00 | - |
| GRAND TOTAL | 25061.09 | 25361.04 | 1.20 |

PERCENTAGE OF 1 PERCENT VAT CONTRIBUTION UTILIZED:
0.9970843 -- VEST

Evolution of annual payments — by sector (1978-82)

Annual payments — payments against appropriations of the financial year plus payments against carry-overs from the previous financial year

| Sector | 1978 | | 1979 | | 1980 | | 1981 | | 1982 | |
|--|----------|-------|----------|-------|----------|-------|----------|-------|----------|-------|
| | Mio EUA | % | Mio EUA | % | Mio EUA | % | Mio ECU | % | Mio ECU | % |
| 1 Administration | 675.5 | 5.7 | 771.6 | 5.4 | 819.7 | 5.0 | 942.9 | 5.3 | 1 010.3 | 5.0 |
| 1.1 Parliament | 84.1 | 0.7 | 109.0 | 0.8 | 135.1 | 0.8 | 168.0 | 0.9 | 173.3 | 0.9 |
| 1.2 Council | 79.0 | 0.7 | 86.5 | 0.6 | 94.5 | 0.6 | 103.9 | 0.6 | 109.7 | 0.5 |
| (of which: the Economic and Social Committee) | (14.1) | (0.1) | (15.5) | (0.1) | (16.8) | (0.1) | (20.0) | (0.1) | (20.6) | (0.1) |
| 1.3 Commission | 490.7 | 4.1 | 550.6 | 3.8 | 560.0 | 3.4 | 635.4 | 3.6 | 668.3 | 3.4 |
| 1.4 Court of Justice | 14.7 | 0.1 | 16.3 | 0.1 | 19.3 | 0.1 | 23.1 | 0.1 | 25.4 | 0.1 |
| 1.5 Court of Auditors | 7.0 | 0.1 | 9.2 | 0.1 | 10.8 | 0.1 | 12.5 | 0.1 | 13.6 | 0.1 |
| 2 EAGGF-Guarantee | 9 264.6 | 77.4 | 10 417.5 | 72.5 | 11 283.2 | 69.3 | 10 960.2 | 61.6 | 12 349.5 | 60.6 |
| 2.1 Cereals and rice | 1 196.6 | 10.0 | 1 608.3 | 11.2 | 1 719.0 | 10.6 | 1 951.8 | 11.0 | 1 874.8 | 9.2 |
| 2.2 Sugar | 770.2 | 6.4 | 939.8 | 6.5 | 575.2 | 3.5 | 767.5 | 4.3 | 1 241.8 | 6.1 |
| 2.3 Fats and protein plants | 583.0 | 4.9 | 668.2 | 4.6 | 747.8 | 4.6 | 1 090.7 | 6.1 | 1 295.0 | 6.3 |
| 2.4 Fruit and vegetables | 227.4 | 1.9 | 441.5 | 3.1 | 687.3 | 4.2 | 641.1 | 3.6 | 914.3 | 4.5 |
| 2.5 Wine | 89.0 | 0.7 | 61.3 | 0.4 | 299.5 | 1.9 | 459.4 | 2.6 | 570.6 | 2.8 |
| 2.6 Tobacco | 313.8 | 2.6 | 225.0 | 1.6 | 309.3 | 1.9 | 361.8 | 2.0 | 622.6 | 3.0 |
| 2.7 Milk products | 3 381.6 | 28.3 | 4 521.4 | 31.5 | 4 752.0 | 29.2 | 3 342.7 | 18.8 | 3 327.8 | 16.3 |
| 2.8 Meat, eggs and poultry | 695.4 | 5.8 | 931.6 | 6.5 | 1 617.9 | 9.9 | 1 867.0 | 10.5 | 1 625.9 | 8.0 |
| 2.9 Other markets | 228.0 | 1.9 | 310.5 | 2.2 | 276.8 | 1.7 | 400.8 | 2.3 | 583.6 | 2.9 |
| 2.10 Agri-monetary measures | 1 779.6 | 14.9 | 709.4 | 4.9 | 298.6 | 1.8 | 238.4 | 1.3 | 313.1 | 1.5 |
| 2.11 Clearance of the accounts | — | — | — | — | — | — | — | — | — | — |
| 3 Agricultural structures | 327.1 | 2.7 | 408.1 | 2.8 | 601.9 | 3.7 | 574.7 | 3.2 | 646.1 | 3.2 |
| 3.1 EAGGF-Guidance | 323.6 | 2.7 | 401.5 | 2.7 | 592.9 | 3.6 | 566.5 | 3.1 | 638.2 | 3.2 |
| 3.2 Specific measures | 3.5 | 0.0 | 6.6 | 0.1 | 9.0 | 0.1 | 8.2 | 0.1 | 7.9 | 0.0 |
| 4 Fisheries | 14.1 | 0.1 | 45.3 | 0.3 | 43.7 | 0.3 | 49.9 | 0.3 | 54.8 | 0.3 |
| 4.1 Common organization of the market | 14.0 | 0.1 | 17.0 | 0.1 | 23.3 | 0.2 | 29.0 | 0.2 | 34.0 | 0.2 |
| 4.2 Other measures | 0.1 | 0.0 | 28.3 | 0.2 | 20.4 | 0.1 | 21.9 | 0.1 | 20.8 | 0.1 |
| 5 Regional policy | 255.2 | 2.1 | 672.0 | 4.7 | 1 103.3 | 6.8 | 2 236.4 | 12.6 | 3 008.3 | 14.7 |
| 5.1 Regional Fund | 254.9 | 2.1 | 513.2 | 3.6 | 726.7 | 4.5 | 798.7 | 4.5 | 973.0 | 4.8 |
| 5.2 Measures in favour of the United Kingdom | — | — | — | — | 174.1 | 1.1 | 1 248.4 | 7.0 | 1 819.2 | 8.9 |
| 5.3 Other measures | 0.3 | 0.0 | 158.8 | 1.1 | 202.5 | 1.2 | 189.3 | 1.1 | 216.1 | 1.0 |
| 6 Social policy | 306.7 | 2.6 | 625.0 | 4.3 | 771.8 | 4.7 | 836.7 | 4.7 | 1 060.6 | 5.2 |
| 6.1 Social Fund | 284.8 | 2.4 | 595.7 | 4.1 | 735.2 | 4.5 | 745.8 | 4.2 | 905.6 | 4.4 |
| 6.2 Other measures | 21.9 | 0.2 | 29.3 | 0.2 | 36.6 | 0.2 | 90.9 | 0.5 | 155.0 | 0.8 |
| 7 Research energy etc | 212.6 | 1.7 | 280.6 | 2.0 | 311.5 | 1.9 | 377.2 | 2.1 | 437.7 | 2.1 |
| 7.1 Energy | 18.6 | 0.2 | 29.8 | 0.2 | 40.3 | 0.2 | 63.1 | 0.3 | 44.0 | 0.2 |
| 7.2 Research and investment | 173.1 | 1.4 | 225.1 | 1.5 | 249.8 | 1.5 | 295.6 | 1.6 | 357.6 | 1.8 |
| 7.3 Industry and transport | 2.2 | 0.0 | 18.2 | 0.2 | 12.0 | 0.1 | 8.3 | 0.1 | 16.3 | 0.1 |
| 7.4 Other measures | 8.7 | 0.1 | 8.5 | 0.1 | 9.4 | 0.1 | 10.2 | 0.1 | 9.8 | 0.0 |
| 8 Repayments to Member States | 662.1 | 5.5 | 741.6 | 5.2 | 846.4 | 5.2 | 956.3 | 5.4 | 1 049.3 | 5.1 |
| 8.1 Costs incurred in collecting own resources | 662.1 | 5.5 | 726.6 | 5.1 | 791.2 | 4.9 | 807.0 | 4.6 | 909.3 | 4.4 |
| 8.2 Other repayments | — | — | 15.0 | 0.1 | 55.2 | 0.3 | 149.3 | 0.8 | 140.0 | 0.7 |
| 9 Cooperation with developing countries | 265.2 | 2.2 | 405.4 | 2.8 | 508.9 | 3.1 | 853.5 | 4.8 | 786.1 | 3.8 |
| 9.1 Food aid | 236.0 | 2.0 | 259.0 | 1.8 | 318.8 | 1.9 | 601.7 | 3.4 | 542.2 | 2.6 |
| 9.2 Financial aid | 29.2 | 0.2 | 146.4 | 1.0 | 190.1 | 1.2 | 251.8 | 1.4 | 243.9 | 1.2 |
| Grand total | 11 973.1 | 100 | 14 367.1 | 100 | 16 290.4 | 100 | 17 792.8 | 100 | 20 422.7 | 100 |

Actual own resources — by Member State (1978-82)

| | | Bel gium | Den- mark | FR of Germany | Greece | France | Ireland | Italy | Luxem- bourg | Nether- lands | United Kingdom | EUR 9-10 |
|----------------|-------------------------------|-------------|--------------|------------------|---------|----------|---------|----------|-----------------|------------------|-------------------|-------------|
| 1978 (Mio ECU) | Customs duties | 216.5 | 127.9 | 1 374.0 | — | 649.3 | 46.7 | 4 40.8 | 3.6 | 444.3 | 1 754.5 | 4 290.8 |
| | Agricultural levies | 194.5 | 9.7 | 251.3 | — | 142.2 | 5.1 | 567.2 | 0.2 | 314.3 | 338.7 | 1 473.7 |
| | Sugar and isoglucose levies | 21.2 | 12.4 | 145.0 | — | 117.5 | 3.7 | 46.3 | — | 33.2 | 22.3 | 412.8 |
| | Financial contributions (GNP) | 229.4 | 134.2 | 1 776.1 | — | 1 275.5 | 32.2 | 2 20.3 | 9.4 | 3 33.4 | 817.7 | 5 329.7 |
| | Total | 742.1 | 275.2 | 3 527.4 | — | 2 184.7 | 87.7 | 1 655.1 | 13.3 | 1 113.2 | 2 325.2 | 12 503.8 |
| | | (5.2 %) | (2.3 %) | (17.4 %) | — | (18.2 %) | (0.7 %) | (13.9 %) | (0.1 %) | (10.4 %) | (11.9 %) | (100 %) |
| 1979 (Mio ECU) | Customs duties | 276.2 | 275.2 | 3 737.8 | — | 2 315.0 | 89.5 | 1 734.5 | 14.2 | 1 238.1 | 1 843.8 | 12 003.8 |
| | Agricultural levies | 16.5 | 12.3 | 131.1 | — | 119.3 | 10.8 | 114.4 | 10.1 | 113.2 | 119.4 | 1100.8 |
| | Sugar and isoglucose levies | 27.8 | 21.1 | 146.2 | — | 152.3 | 4.6 | 45.9 | — | 37.8 | 25.1 | 464.8 |
| | VAT | 321.6 | 183.9 | — | — | 1 720.4 | — | 747.6 | — | 453.6 | 1 302.6 | 9 737.7 |
| | Financial contributions (GNP) | — | — | 2 245.6 | — | — | 41.8 | — | 14.9 | — | — | 2 302.1 |
| | Total | 825.8 | 327.4 | 4 742.2 | — | 2 723.4 | 104.8 | 1 791.3 | 19.8 | 1 298.2 | 2 028.4 | 14 372.6 |
| | | (6.4 %) | (2.4 %) | (22.5 %) | — | (11.9 %) | (0.7 %) | (11.8 %) | (0.1 %) | (10.5 %) | (12.1 %) | (100 %) |
| 1980 (Mio ECU) | Customs duties | 302.6 | 130.2 | 1 798.1 | — | 900.0 | 67.1 | 638.1 | 4.3 | 535.5 | 1 440.1 | 8 984.8 |
| | Agricultural levies | 193.1 | 7.5 | 223.7 | — | 91.8 | 3.9 | 379.3 | 0.1 | 274.7 | 401.5 | 1 523.4 |
| | Sugar and isoglucose levies | 27.2 | 19.1 | 131.7 | — | 158.0 | 4.8 | 54.4 | — | 40.8 | 32.1 | 464.8 |
| | VAT | 317.7 | 181.4 | — | — | 1 842.4 | 83.7 | 814.7 | 15.2 | 461.6 | 1 294.1 | 7 519.1 |
| | Financial contributions (GNP) | — | — | 2 456.7 | — | — | — | — | — | — | — | — |
| | Total | 840.6 | 348.3 | 4 618.2 | — | 2 992.8 | 139.3 | 1 872.2 | 19.8 | 1 272.8 | 2 167.8 | 15 427.8 |
| | | (6.2 %) | (2.2 %) | (22.5 %) | — | (11.9 %) | (0.9 %) | (12.5 %) | (0.1 %) | (10.3 %) | (12.0 %) | (100 %) |
| 1981 (Mio ECU) | Customs duties | 408.4 | 135.2 | 1 943.8 | 84.6 | 977.3 | 81.9 | 633.0 | 4.5 | 577.8 | 1 550.9 | 9 393.4 |
| | Agricultural levies | 178.4 | 10.1 | 179.9 | 17.4 | 103.1 | 4.3 | 247.8 | 0.1 | 175.4 | 344.4 | 1 264.8 |
| | Sugar and isoglucose levies | 27.8 | 19.3 | 126.9 | 1.0 | 154.5 | 4.5 | 62.5 | — | 29.1 | 46.9 | 462.8 |
| | VAT | 375.9 | 189.6 | 2 006.5 | 151.5 | 2 256.2 | 84.1 | 1 582.9 | 27.6 | 499.8 | 1 830.8 | 9 844.1 |
| | Financial contributions (GNP) | — | — | 2 006.5 | 151.5 | 2 256.2 | 84.1 | 1 582.9 | 27.6 | 499.8 | 1 830.8 | 9 844.1 |
| | Total | 990.1 | 354.4 | 5 067.1 | 234.5 | 3 491.1 | 159.9 | 2 526.0 | 27.3 | 1 287.1 | 2 877.2 | 18 974.8 |
| | | (5.5 %) | (2.0 %) | (26.1 %) | (1.4 %) | (11.9 %) | (0.9 %) | (14.0 %) | (0.1 %) | (10.7 %) | (12.1 %) | (100 %) |
| 1982 (Mio ECU) | Customs duties | 403.7 | 142.6 | 1 946.5 | 108.7 | 1 071.2 | 87.8 | 650.8 | 4.3 | 545.2 | 1 754.5 | 9 819.3 |
| | Agricultural levies | 218.6 | 7.5 | 201.9 | 83.5 | 70.9 | 6.0 | 295.1 | 0.1 | 172.5 | 415.9 | 1 522.0 |
| | Sugar and isoglucose levies | 44.4 | 25.3 | 190.2 | 13.1 | 211.0 | 7.0 | 83.5 | — | 51.9 | 72.4 | 725.9 |
| | VAT | 461.6 | 226.8 | 3 339.9 | 156.3 | 2 872.8 | 107.7 | 1 457.8 | 25.7 | 614.9 | 2 782.7 | 12 121.1 |
| | Financial contributions (GNP) | — | — | 3 339.9 | 156.3 | 2 872.8 | 107.7 | 1 457.8 | 25.7 | 614.9 | 2 782.7 | 12 121.1 |
| | Total | 1 148.3 | 402.2 | 5 689.5 | 358.8 | 4 225.9 | 208.5 | 2 487.2 | 30.1 | 1 488.4 | 3 113.3 | 21 184.2 |
| | | (5.4 %) | (1.9 %) | (26.9 %) | (1.8 %) | (20.0 %) | (1.0 %) | (11.8 %) | (0.1 %) | (10.9 %) | (14.2 %) | (100 %) |

1. Under Article 131 of the Treaty of Accession concluded upon the entry of Denmark, Ireland and the United Kingdom.
 2. Including the balances and adjustments of previous financial years.
 3. Green's book financial contribution based on 4% GNP.

Estimated and actual revenue 1982

Estimated and actual revenue 1982:

| | Estimated revenue of the 1982 budget ¹ | | Actual revenue 1982 | |
|---|--|------|------------------------|------|
| | Mio ECU | % | Mio ECU | % |
| 1 Own resources | | | | |
| — Customs duties | 6 933.0 | 31.6 | 6 618.3 | 31.8 |
| — Agricultural levies | 1 899.1 | 8.6 | 1 522.0 | 7.1 |
| — Sugar and isoglucose levies | 726.0 | 3.6 | 725.8 | 3.3 |
| — VAT 1982 | 11 918.3 | 54.6 | 12 001.4 | 56.0 |
| — Financial contribution (GNP) 1982 Greece | 197.5 | 0.9 | 197.0 | 0.9 |
| — Balance of VAT and financial contributions before 1982 | — | — | -76.3 | -0.3 |
| Total own resources | 21 819.9 | 99.3 | 21 164.2 | 98.8 |
| 2 Other revenue (ECSC contributions, financing of supplementary European programmes, deductions from staff remuneration, miscellaneous revenue) | 154.5 | 0.7 | 269.2 | 1.2 |
| Total revenue | 21 974.4 | 100 | 21 433.4 | 100 |

Net costs or benefits of the Member States (in mEcus)

| | 1980 | 1981 | 1982 | 1983 |
|----------------|---------|---------|---------|---------|
| Germany | - 1 531 | - 1 704 | - 2 086 | - 2 562 |
| France | + 422 | + 516 | + 19 | + 48 |
| Italy | + 739 | + 785 | + 1 616 | + 1 524 |
| Holland | + 459 | + 214 | + 304 | + 382 |
| Belgium | + 236 | + 295 | + 253 | + 409 |
| Luxembourg | + 206 | + 239 | + 256 | + 287 |
| United Kingdom | - 1 507 | - 1 373 | - 2 036 | - 1 965 |
| Ireland | + 650 | + 583 | + 732 | + 825 |
| Denmark | + 326 | + 275 | + 295 | + 330 |
| Greece | - | + 170 | + 685 | + 830 |

Rebates to the United Kingdom

| | Rebate | Expected deficit | Real deficit |
|------|------------------------|------------------|--------------|
| 1980 | 1 175 | 1 784 | 1 507 |
| 1981 | 1 410 | 2 140 | 1 373 |
| 1982 | 850 + 307 ou 385 | 1 530 | 2 036 |
| 1983 | 750 | | 2 000 |

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NET BUDGET BALANCES

| | <u>1980</u> | | <u>1981</u> | |
|----------------|---------------------------|---------------------|-------------------------|---------------------|
| | Net balance (in mEcus) | Per capita/ Ecus | Net balances (mEcus) | Per capita/ Ecus |
| Belgium | 233 | 23.7 | 276 | 28.6 |
| Denmark | 327 | 63.8 | 279 | 54.5 |
| Germany | -1,526 | -24.8 | -1,684 | -27.3 |
| Greece | - | - | 173 | 17.8 |
| France | 431 | 8.0 | 576 | 10.7 |
| Ireland | 650 | 191.1 | 582 | 169.0 |
| Italy | 737 | 12.9 | 788 | 13.8 |
| Luxembourg | 206 | 566.0 | 239 | 653.0 |
| Holland | 454 | 32.1 | 190 | 13.3 |
| United Kingdom | -1,512 | -27.0 | -1,419 | -25.2 |

| | <u>1982</u> | | <u>1983</u> | |
|----------------|-------------------------|---------------------|-------------------------|---------------------|
| | Net balances (mEcus) | Per capita/ Ecus | Net balances (mEcus) | Per capita/ Ecus |
| Belgium | 250 | 25.3 | 409 | 41.5 |
| Denmark | 300 | 58.6 | 330 | 64.4 |
| Germany | -2,000 | -32.4 | -2,562 | -41.5 |
| Greece | 700 | 71.4 | 810 | 85.3 |
| France | 0 | 0.0 | 48 | 0.9 |
| Ireland | 700 | 200.0 | 825 | 239.6 |
| Italy | 1,580 | 26.1 | 1,524 | 25.6 |
| Luxembourg | 250 | 675.7 | 287 | 785.3 |
| Holland | 300 | 21.0 | 382 | 26.8 |
| United Kingdom | -2,000 | -35.5 | -1,965 | -35.1 |

Source: EEC figures and European Report estimates